



(This meeting was recorded)  
January 8, 2003

## **FIRE AND POLICE RETIREMENT BOARD**

The Fire and Police Retirement Board met in a joint session with the Employees Retirement Board in Meeting Room A, 2nd Floor, City Hall, 2600 Fresno Street, Fresno, California, at the hour of 2:00 p.m. on the day above written.

### **Roll Call 2:01 p.m.**

Present:	Brian Burry	Chair
	Darrell Fifield	Vice Chair (arrives at 2:07 p.m.)
	Carla Lombardi	Member
	Stephen Guinn	Member
	Paul Cliby	Member

APPROVE MINUTES OF THE **FIRE AND POLICE RETIREMENT BOARD** FOR DECEMBER 12, 2002, REGULAR JOINT MEETING AND DECEMBER 27, 2002, SPECIAL JOINT MEETING.

Laid Over.

APPROVE AGENDA OF JANUARY 8, 2003

(NOT ON AGENDA) Requested by Chair Burry to add discussion relating to the building acquisition.

Agenda is approved as presented.

### **TIMED SCHEDULED AND HEARINGS AND MATTERS**

None.

### **CONSENT CALENDAR - JOINT ITEMS**

ACCEPT MONTHLY TRUST FUND REPORT FOR OCTOBER, NOVEMBER AND DECEMBER 2002

Laid Over.

ACCEPT MONTHLY BUDGET REPORT FOR OCTOBER, NOVEMBER AND DECEMBER 2002

Laid Over.

CONFIRM DATE AND TIME FOR THE NEXT  
REGULAR JOINT MEETING OF THE  
**RETIREMENT BOARDS** FOR **FEBRUARY  
12, 2003**, 2:00 P.M., FRESNO CITY HALL,  
2600 FRESNO STREET, MEETING  
ROOM 2165-A.

Confirmed.

CONFIRM DATE AND TIME OF THE NEXT  
**FINANCE COMMITTEE** MEETINGS  
SCHEDULED FOR **JANUARY 9, 2003**,  
FROM 10:00 - 3:30 P.M., MEETING ROOM C  
AND **JANUARY 16, 2003** FROM 1:30 - 3:30  
P.M. IN MEETING ROOM C.

Confirmed.

CONFIRM DATE AND TIME FOR THE NEXT  
**ADMINISTRATIVE COMMITTEE** MEETING  
*RESCHEDULED* FOR **JANUARY 30, 2003**,  
FROM 10:00 A.M. - 12:00 P.M., CITY HALL,  
2600 FRESNO STREET, MEETING ROOM  
2165-A.

Administrator McDivitt reports that Member Fifield will be attending a conference in late January through early February and after brief discussion meeting is rescheduled to 10:00 a.m. on February 7, 2003.

#### **CONSENT CALENDAR - FIRE AND POLICE ITEMS**

APPROVE APPLICATION FOR SERVICE  
RETIREMENT FILED BY MELVIN W. KING,  
EMPLOYEE IN THE POLICE DEPARTMENT,  
EFFECTIVE DECEMBER 14, 2002.

APPROVE APPLICATION FOR SERVICE  
RETIREMENT FILED BY THOMAS A. FROST,  
EMPLOYEE IN THE POLICE DEPARTMENT,  
EFFECTIVE FEBRUARY 4, 2003.

APPROVE APPLICATION FOR DEFERRED  
RETIREMENT OPTION PROGRAM ("DROP")  
FOR THE FOLLOWING INDIVIDUALS AS OF  
FEBRUARY 1, 2003:

<u>Fire</u>	<u>Police</u>
Timothy Taylor	William Trollinger

ACCEPT REPORT OF RETIREMENT REFUNDS:



SET HEARING DATE FOR FORMAL HEARING  
AS REQUESTED BY MICAH HOWZE  
REGARDING HIS APPLICATION FOR  
VOLUNTARY SERVICE-CONNECTED  
DISABILITY RETIREMENT.

Administrator McDivitt reports that a formal hearing has been requested by Mr. Howze, and staff recommends that hearing be scheduled at the next Board meeting, and upon consensus the Board concludes that a formal hearing will be held before the Board on February 12, 2003.

**CLOSED SESSION - CONFERENCE WITH  
LEGAL COUNSEL - EXISTING LITIGATION:  
PURSUANT TO GOVERNMENT CODE SECTION  
54956.9(A):**

A. CASE NAME: FRESNO POLICE OFFICERS'  
ASSOCIATION, ET AL. V. CITY OF  
FRESNO RETIREMENT BOARD AND THE  
CITY OF FRESNO; FRESNO SUPERIOR  
CASE NO. 654687-3 (GOVERNMENT  
CODE SECTION 54954.5 (C))

Board Counsel Richeda reports out of closed session that the Board continues to support the settlement agreement and interprets it as part of the global settlement and note as precedent to permit inclusion of vehicle allowance stipend and pay in lieu of administrative leave in the case of retired individual plaintiffs.

**STAFF INITIATED ITEMS - JOINT ITEMS**

None.

**STAFF INITIATED ITEMS - FIRE AND POLICE ITEMS**

None.

**BOARD INITIATED ITEMS - JOINT ITEMS**

CONSIDER RECOMMENDATION FROM THE  
ADMINISTRATIVE COMMITTEE TO  
INTRODUCE AT THIS MEETING AND APPROVE  
AT THE NEXT SCHEDULED BOARD MEETING  
AN AMENDMENT TO THE JOINT BOARD  
RULES CHANGING THE NAME OF THE  
FINANCE COMMITTEE TO THE INVESTMENT  
COMMITTEE.

After brief summary from Board Counsel Richeda, the above-entitled is introduced before the Board for consideration and adoption at the next meeting.

CONSIDER RECOMMENDATION FROM THE ADMINISTRATIVE COMMITTEE TO APPROVE A FEE PROPOSAL AUTHORIZING THE BOARD'S ACTUARY TO DEVELOP PROJECTIONS OF SURPLUS AND THE RELATED IMPACT TO THE SYSTEMS'.

Administrator McDivitt reports that if needed, the Actuary is available by conference phone. Employees Member Balekian requests discussion before call is made. Upon question presented by Employees Member Balekian and Member Fifield, Administrator McDivitt summarizes the report as presented, stating report is not a Monte Carlo simulation, reviews the different scenarios and assumptions, this report is the most efficient way recommended by the Actuary and contains elements consistent and specifically for our systems, the materiality of the report, if simulation can be revised subject to impending decisions for additional positions in the Fire and Police Departments, and discussion followed with Administrator McDivitt recommending Board approval and to delegate to the Administrative Committee to approve the final assumptions that go in the model.

Chair Burry entertains a motion as discussed.

ON MOTION of Member Cliby seconded by Member Fifield, duly carried, RESOLVED, to approve fee proposal authorizing the Board's actuary to develop projections of surplus and the related impact to the Systems, delegating to the Administrative Committee to approve the final assumptions, hereby approved by the following vote:

Ayes:	Burry, Fifield, Lombardi, Guinn, Cliby
Noes:	None
Absent:	None
Abstain:	None

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#### **BOARD INITIATED ITEMS - FIRE AND POLICE ITEMS**

CONSIDER REPORT FROM FIRE & POLICE AD  
HOC COMMITTEE ON BOARD AUTONOMY  
AND DIRECTION TO UPDATE THE BOARD  
RULES TO REFLECT RECENT POSSIBLE  
CHANGES IN BOARD MEETING AND/OR  
COMMITTEE STRUCTURES.

Chair Burry reviews the recommendations of the Ad Hoc Committee as submitted, a minor change to the structure of how meetings will be held, the regular meetings of the Fire and Police Board, Employees Board and a meeting of the Joint Boards will continue to be held the second Wednesday of every month, but separately beginning at 1:30 p.m., alternating the time and order of the meetings depending on the size of the Agenda, the Committee structure will continue to meet jointly, ad hoc committees can be formed for discussions specifically affecting a particular System, reported discussions were held with the executive Board of the FPOA.

Member Guinn noted that he was invited and attended an FPOA E-Board meeting this morning to hear what they had to say and it was his understanding there were no objections to the revised structure.

In opposition to this issue, Member Lombardi expressed concern that the revised process is time very consuming, opposes the recommendations as presented, and questioned why only one Board member was invited to the FPOA meeting.

In response to Member Lombardi's question, Chair Burry states that FPOA received a call from another Board member who asked if he wanted to hear their rationale of this issue, and I asked if they would want anyone else to attend, he said okay and asked Stephen if he would be interested in hearing what they had to say, and he was able to ask the questions and I was able to present the issues and received a unanimous response that they would like this to go forward, there have been discussions with these groups regarding this issue for about a year.

ON MOTION of Member Cliby seconded by Chair Burry, duly carried, RESOLVED, to approve recommendation of the Ad Hoc Committee on Board autonomy and direct staff to update the board rules to reflect recent possible changes in board meetings and/or committee structures, hereby approved by the following vote:

Ayes: Burry, Guinn, Cliby  
Noes: Fifield, Lombardi  
Absent: None  
Abstain: None

Chair Burry requests two additional members to review and develop the proposed amendments to the rules and the Board structure and conduct a meeting prior to the regular joint meeting to discuss these issues. Upon request, Members Fifield, Cliby, and Burry volunteer and are appointed by Chair Burry.

Board Counsel Richeda requests clarification of the proposed amendments and Chair Burry adds that this process can be on trial basis for 6 months and Board Counsel Richeda continues with discussion and review of possible amendments.

Member Lombardi commented in response to this issue, that other Board members have individually spearheaded an effort and she just witnessed the same thing, and when we handpick and choose different people to attend different things and get different information and move it in a direction because there was such intensity in accusing an individual on the Employees Board of that very thing.

In response, Chair Burry states that everything he has done as Board member or Committee member, has always been disclosed, he has not counseled people, or before the City Council behind the back of the other members, this has been presented to both Boards, issue has been clarified to the employee groups to make sure this is what the members wanted and this is not the same as the other issue which was never disclosed and extensive discussion followed with Member Lombardi opposing the issue, how it was handled, that she was not afforded the same opportunity for comment as other members. Employees Member Balekian briefly commented and Employees Chair Quick suggested that Employees meeting should continue meeting at 2:00 p.m.

At the suggestion of Administrator McDivitt minor revisions are discussed .

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#### **GENERAL DISCUSSION - JOINT ITEMS**

REPORT FROM RETIREMENT  
ADMINISTRATOR ON RETIREMENT  
PROJECTS AND COMMITTEE ACTION  
AGENDAS

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Administrator McDivitt gave an overview of the progress of the ongoing projects .

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REVIEW AND DISCUSS THE USE OF  
AMERICAN EXPRESS CARDS

This issue reviewed by the Administrator in his report.

DISCUSSION REGARDING THE REAL ESTATE  
ACQUISITION

Member Burry requests that the members submit any questions regarding this issue to allow staff the time to review and report at the following meeting, and discussion followed.

**GENERAL DISCUSSION - FIRE AND POLICE ITEMS**

None.

**INFORMATION ONLY ITEMS - JOINT ITEMS**

DECEMBER 11, 2002, AGENDA FOR FRESNO  
CITY EMPLOYEES HEALTH & WELFARE  
TRUST REGULAR BOARD MEETING AND  
MINUTES OF NOVEMBER 13, 2002, REGULAR  
BOARD MEETING.

Received as presented with Member Cliby reporting preliminary amounts discussed at this meeting.

CALAPRS' FALL 2002 NEWSLETTER

Received.

**INFORMATION ONLY ITEMS - FIRE AND POLICE ITEMS**

None.

**UNSCHEDULED ORAL COMMUNICATIONS - JOINT**

None.

**UNSCHEDULED ORAL COMMUNICATIONS - FIRE AND POLICE ITEMS**

None.

**PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING - JOINT ITEMS**

None.

**PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING - FIRE AND POLICE ITEMS**

None.

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**PUBLIC COMMENTS - JOINT ITEMS**

None.

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**PUBLIC COMMENTS - FIRE AND POLICE ITEMS**

None.

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**ADJOURNMENT**

There being no further business to bring before the Board, and hearing no objections, Chair Burry declared the Fire and Police Retirement Board's regular meeting adjourned at 3:22 p.m.

DATED: January 31, 2002

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Brian Burry, Chair  
Fire and Police Retirement Board

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Pattie Laygo  
Secretary to the Retirement Board